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UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Washington, D.C. 20230

SEP 30 2003

AMENDED PROPOSED CHARGING LETTER

FEDERAL EXPRESS - OVERNIGHT

World Control International, Inc.
14606 Heathermere Lane
Orlando, Florida 32837

Attention: Aykut Goker
Exclusive United States Representative

Dear Mr. Goker:

The Bureau of Industry and Security, United States Department of Commerce (BIS), has reason to believe that World Control International, Inc. (WCI), violated the Export Administration Regulations (15 C.F.R. Parts 730-774 (2003)) (the Regulations),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the Act),² on one occasion. Specifically, BIS charges that WCI committed the following violation:

Charge 1 15 C.F.R. § 764.2(g) - Misrepresentation and Concealment of Facts - False or Misleading Representation on Export Control Document

On or about August 20, 1999, WCI prepared a Shipper's Export Declaration, an export control document as defined in Part 772 of the Regulations, that represented that the country of ultimate destination was Germany, when, in fact, the country of ultimate destination was Iraq. BIS alleges that, by making a false or misleading statement of material fact in connection with the

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003).

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (IEEPA). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 7, 2003 (68 Fed. Reg. 47833, August 11, 2003)), has continued the Regulations in effect under IEEPA.



preparation of an export control document, WCI committed one violation of Section 764.2(g) of the Regulations.

BIS alleges that WCI committed one violation of Section 764.2(g) of the Regulations.

Accordingly, WCI is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and ~~Part~~ 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

The maximum civil penalty allowed by law of up to \$11,000 per violation;³

Denial of export privileges; and/or

Exclusion from practice before BIS.

If WCI fails to answer the charge contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. (Regulations, Sections 766.6 and 766.7). If WCI defaults, the Administrative Law Judge may find the charge alleged in this letter is true without hearing or further notice to WCI. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on the charge in this letter.

WCI is further notified that it is entitled to an agency hearing on the record if WCI files a written demand for one with its answer. (Regulations, Section 766.6). WCI is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. (Regulations, Sections 766.3(a) and 766.4).

The Regulations provide for settlement without a hearing. (Regulations, Section 766.18). Should you have a proposal to settle this case, you or your representative should transmit it to me through the attorney representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, WCI's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center
40 S. Gay Street

³ Pursuant to the Federal Civil Penalties Adjustment Act of 1990 (28 U.S.C. §2461, note (2000)), and 15 C.F.R. § 6.4(a)(2) (2003), the maximum penalty for each violation committed after October 23, 1996 and before November 1, 2000 is \$11,000.

Baltimore, Maryland 21202-4022

In addition, a copy of WCI's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security
Attention: Christine Lee
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Christine Lee is the attorney representing BIS in this case; any communications that you may wish to have concerning this matter should occur through her. Ms. Lee may be contacted by telephone at (202) 482-5301.

Sincerely,

Mark D. Menefee
Director
Office of Export Enforcement

Enclosure

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

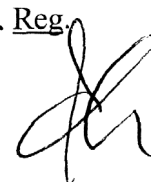
In the Matter of:)
)
World Control International Inc.)
14606 Heathermere Lane)
Orlando, Florida 32837)
)
Respondent.)

SETTLEMENT AGREEMENT BETWEEN WORLD CONTROL INTERNATIONAL AND
THE BUREAU OF INDUSTRY AND SECURITY

This Settlement Agreement (“Agreement”) is made by and between Respondent, World Control International Inc. (“WCI”), and the Bureau of Industry and Security, United States Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at **15 C.F.R. Parts 730-774 (2003)**) (“Regulations”), issued pursuant to the Export Administration Act of 1979, **as** amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),²

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003). The Regulations governing the violations at issue are found in the 1999 version of the Code of Federal Regulations. These Regulations are codified at 15 C.F.R. Parts 730-774 (1999) and, to the degree to which they pertain to this matter, are substantially the same as the 2003 version.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 7, 2003 (68 Fed. Reg. 47833, August 11, 2003)), has continued the Regulations in effect under IEEPA.



WHEREAS, BIS has notified WCI of its intention to initiate an administrative proceeding against WCI pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a proposed charging letter to WCI that alleged that WCI committed one violation of the Regulations, specifically:

One Violation of 15 C.F.R. § 764.2(g) - Misrepresentation and Concealment of Facts:

On or about August 20, 1999, WCI prepared a Shipper's Export Declaration, an export control document as defined in ~~Part~~ 772 of the Regulations, that represented that the country of ultimate destination was Germany, when, in fact, the country of ultimate destination was Iraq, in violation of Section 764.2(g) of the Regulations;

WHEREAS, WCI has reviewed the proposed charging letter and is aware of the allegation made against it and the administrative sanctions which could be imposed against it if the allegation is found to be true;

WHEREAS, WCI fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if she approves this Agreement as the final resolution of this matter;

WHEREAS, WCI enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, WCI states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, WCI neither admits nor denies the allegation contained in the proposed charging letter;

A handwritten signature in black ink, consisting of a stylized, cursive 'W' or 'A' shape with a vertical line extending downwards from the center.

WHEREAS, WCI wishes to settle and dispose of the matter alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, WCI agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree **as** follows:

1. BIS has jurisdiction over WCI, under the Regulations, in connection with the matter alleged in the proposed charging letter.

2. The following sanction shall be imposed against **WCI** in complete settlement of the violation **of** the Regulations set forth in the proposed charging letter:

- a. WCI shall be assessed a civil penalty in the amount **of** \$3,000 which shall be paid to the **U.S.** Department of Commerce within **30** days from the date of entry of the Order.
- b. The timely payment of the civil penalty agreed to in paragraph 2.a. is hereby made a condition to the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to WCI. Failure to make timely payment of the civil penalty set forth above shall result in the denial of all of WCI's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, WCI hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegation in the proposed charging letter; (b)

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Settlement Agreement
World Control International, Inc.
Page 4 of 5

request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order and timely payment of the \$3,000 civil penalty, BIS will not initiate any further administrative proceeding against WCI in connection with any violation of the Act or the Regulations arising out of the transaction identified in the proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement pursuant to Section 766.18(a) of the Regulations, no **Party** may use this Agreement in any administrative or judicial proceeding and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

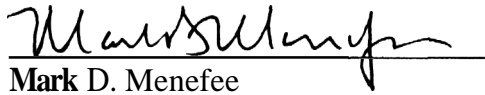
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the United States Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on BIS only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

A handwritten signature in black ink, consisting of a stylized 'J' followed by a series of loops and a final vertical stroke.


9. Each signatory affirms that he **has** authority to enter into this Settlement Agreement and to bind his respective **party** to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY
U.S. DEPARTMENT OF COMMERCE


Mark D. Menefee
Director, Office of
Export Enforcement

Date: 10/9/03

WORLD CONTROL INTERNATIONAL INC.


Aykut Goker
Exclusive United States Representative

Date: 10/03/03

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)
)
World Control International Inc.)
14606 Heathermere Lane)
Orlando, Florida 32837)
)
Respondent.)
)

ORDER RELATING TO WORLD CONTROL INTERNATIONAL, INC.

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) having notified World Control International Inc. (“WCI”) of its intention to initiate an administrative proceeding against WCI pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2003)) (“Regulations”),¹ and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),² based on the proposed charging letter issued to WCI that alleged that WCI committed one violation of the Regulations. Specifically, the charges are:

One Violation of 15 C.F.R. § 764.2(g) - Misrepresentation and Concealment of Facts:

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003). The Regulations governing the violations at issue are found in the 1999 version of the Code of Federal Regulations. These Regulations are codified at 15 C.F.R. Parts 730-774 (1999) and, to the degree to which they pertain to this matter, are substantially the same as the 2003 version.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (1994 & Supp. V 1999)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 7, 2003 (68 Fed. Reg. 47833, August 11, 2003)), has continued the Regulations in effect under IEEPA.

On or about August 20, 1999, WCI prepared a Shipper's Export Declaration, an export control document as defined in ~~Part~~ 772 of the Regulations, that represented that the country of ultimate destination was Germany, when, in fact, the country of ultimate destination was Iraq, in violation of Section 764.2(g) of the Regulations.

BIS and WCI having entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and the terms of the Settlement Agreement having been approved by me;

IT IS THEREFORE ORDERED:

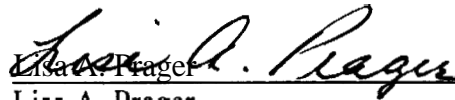
FIRST, that a civil penalty of \$3,000 is assessed against WCI, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E(2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due date specified herein, WCI will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to WCI. Accordingly, if WCI should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of WCI's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order, which constitutes the final agency action in this matter, is effective immediately.


Isaac A. Prager

Acting Assistant Secretary of Commerce
for Export Enforcement

Entered this 16th day of October 2003.